(a) whether Central assistance is granted to coir producing States for infrastructure upgradation;

(b) if so, the details in this regard, with assistance released under the scheme to various States during the last five years, year-wise and State-wise;

(c) whether it is a fact that Government of Karnataka has sought financial assistance for development of Channapatna Coir Cluster covering Bangalore, Mandya, Mysore and Chamarajanagar districts; and

(d) if so, the details in this regard and the Centre's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Under Industrial Infrastructure Upgradation Scheme(IIUS), a project for upgradation of infrastructure facilities in Coir Cluster, Alappuzha, Kerala has been approved and an amount of Rs. 14.20 crore has been sanctioned in the year 2004-05.

(c) and (d) The proposal submitted by Government of Karnataka for development of Channapatna Coir Cluster was found ineligible for sanction under the IIUS and Government of Karnataka have accordingly been informed.

Dispute regarding DEPB Scheme with Income Tax Department

1746. SHRI S.M. LALJAN BASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) for how many years has DEPB scheme been in operation;

(b) what was the intention of introducing this DEPB scheme;

(c) whether it is a fact that some disputes have recently arisen on this scheme with the income tax department;

(d) what steps Government are taking to ensure that exporters are not denied their rightful dues under the DEPB scheme; and

(e) what exactly is being done to clarify doubts and problems with regard to the views of the income tax department on the DEPB scheme?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (e) The DEPB Scheme was introduced in April, 1997 with a view to provide neutralization of the incidence of Customs duty on the import content of the export product. Issues regarding disallowance of profit on sale of DEPB for computation of deduction u/s 80HHC of the Income Tax Act and the non-acceptance of the concept of "Negative Profit" was referred to the Prime Minister's Economic Advisory Council. The Economic Advisory Council has submitted its report on the first issue and latter is under examination. The recommendations of the Council and the manner of their implementation are under the consideration of CBDT. Meanwhile all the assessing officers of Income Tax Department have been directed by CBDT to keep in abeyance till 31.8.05 all assessments and recovery proceedings re-opened specifically to re-assess the claims for deduction under Section 80HHC.

Steps to revive tea industry

1747. SHRI B.K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether in contrast to rise in world tea production elsewhere, especially Turkey and China, India's production of its traditional plantation crop has declined;

(b) whether this decline in output is attributed to drought like conditions in Southern region and the depression stalking tea industry in Assam;

(c) whether on the export front, India has been relegated to a low ranking, far behind Kenya,Sri Lanka and China; and

(d) what steps are being envisaged to revive the tea industry in India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) No Sir. In fact, during April-May 2005, the production of tea was higher by about 21 million kgs as compared to the corresponding period of last financial year. As per the information available, tea production in Turkey had suffered a decline during 2004 as compared to 2003.